

Amendments to House Bill 65
First Reading copy
Before the House Business and Labor Committee
January 9, 2007

1. Title, lines 9 through 11.

Following: "LAWS"

Strike: remainder of line 9 through "PURPOSES" on line 11

2. Title, line 13.

Following: "FACTOR;"

Insert: "PROVIDING THAT CERTAIN INFORMATION REGARDING
SUBSEQUENT INJURY FUND CERTIFICATION IS PART OF THE
WORKERS' COMPENSATION DATABASE SYSTEM AND MAY BE RELEASED
UNDER SPECIFIED CONDITIONS TO AN INSURER;"

3. Title, line 16.

Following: "39-71-203,"

Insert: "39-71-225,"

4. Page 2, line 22 through page 3, line 2.

Strike: section 2 in its entirety

Renumber: subsequent sections

5. Page 3, line 24.

Insert: "**Section 4.** Section 39-71-225, MCA, is amended to
read:

"39-71-225. Workers' compensation database system.

(1) The department shall develop a workers' compensation
database system to generate management information about
Montana's workers' compensation system. The database system
must be used to collect and compile information from
insurers, employers, medical providers, claimants, claims
examiners, rehabilitation providers, and the legal
profession.

(2) Data collected must be used to provide:

(a) management information to the legislative and
executive branches for the purpose of making policy and
management decisions, including but not limited to:

(i) performance information to enable the state to
enact remedial efforts to ensure quality, control abuse,
and enhance cost control;

(ii) information on medical, indemnity, and
rehabilitation costs, utilization, and trends;

(iii) information on litigation and attorney involvement for the purpose of identifying trends, problem areas, and the costs of legal involvement;

(b) current and prior claim information to any insurer that is at risk on a claim, or that is alleged to be at risk in any administrative or judicial proceeding, to determine claims liability or for fraud investigation. The department may release information only upon written request by the insurer and may disclose only the claimant's name, claimant's identification number, prior claim number, date of injury, body part involved, and name and address of the insurer and claims examiner on each claim filed. Information obtained by an insurer pursuant to this section must remain confidential and may not be disclosed to a third party except to the extent necessary for determining claim liability or for fraud investigation; and

(c) current and prior claim information to law enforcement agencies for purposes of fraud investigation or prosecution; and

(d) information to identify to any insurer that is at risk on a claim whether the claimant has been certified by the department as a person with a disability. Information obtained by an insurer pursuant to this subsection (d) must remain confidential and may not be disclosed to a third party except as necessary to implement the provisions of Title 39, chapter 71, part 9. An insurer may disclose to the employer that claims costs have actually been reimbursed by the subsequent injury fund and the amount of that reimbursement.

(3) The department is authorized to collect from insurers, employers, medical providers, the legal profession, and others the information necessary to generate the workers' compensation database system.

(4) The workers' compensation database system must be designed in accordance with the following principles:

(a) avoidance of duplication and inconsistency;
(b) reasonable availability of data elements;
(c) value of information collected to be commensurate with the cost of retrieving the collected information;

(d) uniformity to permit efficiency of collection and to allow interstate comparisons;

(e) a workable mechanism to ensure the accuracy of the data collected and to protect the confidentiality of collected data;

(f) reasonable availability of the data at a fair cost to the user;

(g) a broad application to plan No. 1, plan No. 2, and plan No. 3 insurers;

(h) compatibility with electronic data reporting;

(i) reporting procedures that can be handled through private data collection systems that adhere to the provisions of subsections (4)(a) through (4)(h);

(j) implementation of reporting requirements that allow reasonable lead time for compliance.

(5) The department shall publish an annual report on the information compiled.

(6) Users of information obtained from the workers' compensation database under this section are liable for damages arising from misuse or unlawful dissemination of database information.

(7) An insurer or a third-party administrator who submitted 50 or more "first reports of injury" to the department in the preceding calendar year shall electronically submit the reports and any other reports related to the reported claims in a nationally recognized format specified by department rule.

(8) The department may adopt rules to implement this section."

Renumber: subsequent sections

6. Page 7, line 28 through line 1, page 8.

Strike: "3" on line 28

Insert: "2"

Strike: "3" on line 29

Insert: "2"

Strike: line 30 through line 1, page 8

-END-

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